

Public Works Department

Katy Allen, Director

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Plan, design and construct public facilities and infrastructure systems to enhance the quality of life for the residents of San José

City Service Areas

**Community & Economic Development
Strategic Support**

Core Services

Plan, Design and Construct Public Facilities and Infrastructure

Plan, design and construct public facilities and infrastructure

Regulate/Facilitate Private Development

Review private development to ensure that new development contributes to the safety and welfare of the citizens as well as the City's economic development

Strategic Support: Materials Testing Laboratory, Surveying Services, Infrastructure and Mapping, Financial and Contractual Administration, Computer Services, Equality Assurance, and Human Resources

Public Works Department

Department Budget Summary

	2008-2009 Actual 1	2009-2010 Adopted 2	2010-2011 Forecast 3	2010-2011 Adopted 4	% Change (2 to 4)
Dollars by Core Service					
Plan, Design and Construct Public Facilities and Infrastructure	\$ 33,326,843	\$ 30,252,521	\$ 31,796,411	\$ 29,435,663	(2.7%)
Regulate/Facilitate Private Development	6,126,041	5,066,842	5,211,676	4,169,006	(17.7%)
Strategic Support	10,588,326	7,127,729	6,674,928	5,813,177	(18.4%)
Total	\$ 50,041,210	\$ 42,447,092	\$ 43,683,015	\$ 39,417,846	(7.1%)
Dollars by Category					
Personal Services					
Salaries/Benefits	\$ 45,401,041	\$ 39,864,223	\$ 41,100,143	\$ 36,880,130	(7.5%)
Overtime	71,957	56,613	56,613	50,040	(11.6%)
Subtotal	\$ 45,472,998	\$ 39,920,836	\$ 41,156,756	\$ 36,930,170	(7.5%)
Non-Personal/Equipment	4,568,212	2,526,256	2,526,259	2,487,676	(1.5%)
Total	\$ 50,041,210	\$ 42,447,092	\$ 43,683,015	\$ 39,417,846	(7.1%)
Dollars by Fund					
General Fund	\$ 9,435,614	\$ 6,309,401	\$ 6,495,961	\$ 5,090,687	(19.3%)
Airport Maint & Oper	223,226	516,311	407,503	361,247	(30.0%)
Integrated Waste Mgmt	0	28,916	32,486	31,116	7.6%
Low/Mod Income Housing	104,000	127,598	136,822	136,822	7.2%
PW Program Support Fund	5,843,172	4,970,098	4,928,077	4,462,138	(10.2%)
Sewer Svc & Use Charge	1,465,791	1,683,688	1,795,620	1,795,620	6.6%
Storm Sewer Operating	237,761	421,398	473,284	473,284	12.3%
SJ/SC Treatment Plant Oper	57,437	59,233	67,417	67,417	13.8%
Capital Funds	32,674,209	28,330,449	29,345,845	26,999,515	(4.7%)
Total	\$ 50,041,210	\$ 42,447,092	\$ 43,683,015	\$ 39,417,846	(7.1%)
Authorized Positions	350.50	319.50	307.00	272.50	(14.7%)

Public Works Department

Budget Reconciliation

(2009-2010 Adopted to 2010-2011 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2009-2010):	319.50	42,447,092	6,309,401
Base Adjustments			
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations:		2,562,940	354,017
- 1.0 Engineer I/II to 1.0 Associate Engineer			
- 1.0 Senior Analyst to 1.0 Program Manager I			
- 1.0 Senior Engineer to 1.0 Principal Engineering Technician			
• The following position deletions as approved by City Council on November 17, 2009:	(11.50)	(1,389,930)	(434,990)
- 1.0 Construction Manager			
- 1.0 Engineering Technician II			
- 0.5 Engineering Trainee PT			
- 1.0 Office Specialist II			
- 2.0 Principal Construction Inspectors			
- 2.0 Program Managers II			
- 1.0 Senior Account Clerk			
- 2.0 Senior Construction Inspector			
- 1.0 Structure/Landscape Designer II			
• The following position deletion as approved by City Council on February 9, 2010:			
- 1.0 Contract Compliance Specialist	(1.00)	(109,283)	0
• Vacancy Rate Adjustment		250,206	250,206
• Public Works Capital Support Charges		115,074	0
• Changes in overhead costs		(95,565)	0
• Professional Development Account Adjustment		(78,013)	(10,300)
• Changes in Airport Maintenance and Operations Non-Personal/Equipment costs		(18,133)	0
• Changes in vehicle maintenance and operations costs		(1,373)	27,627
Technical Adjustments Subtotal:	(12.50)	1,235,923	186,560
2010-2011 Forecast Base Budget:	307.00	43,683,015	6,495,961

Public Works Department

Budget Reconciliation (Cont'd.) (2009-2010 Adopted to 2010-2011 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Budget Proposals Approved			
1. Right-Sizing of Capital Improvement Program Staffing	(21.70)	(2,320,825)	0
2. Public Works Development Fee Program	(8.08)	(917,408)	(917,408)
3. Public Works Program Support	(3.66)	(457,181)	0
4. Public Works Department Total Employee Compensation Reduction		(203,367)	(203,367)
5. Public Works Department Director's Office	(0.90)	(186,206)	(134,298)
6. Public Works Department Management and Professional Employees Total Compensation Reduction		(89,120)	(3,708)
7. Public Works Non-Personal/Equipment Funding		(75,000)	(75,000)
8. SJRA Budget Reduction - Office of Equality Assurance	(0.50)	(70,710)	(70,710)
9. Special Assessment District Funding Reallocation		(18,704)	(18,704)
10. Vehicle Maintenance Staffing and Contractual Services		(7,000)	(7,000)
11. Office of Equality Assurance Staffing		15,170	(40,261)
12. Public Works Utility Fee Program	0.34	65,182	65,182
Total Budget Proposals Approved	(34.50)	(4,265,169)	(1,405,274)
2010-2011 Adopted Budget Total	272.50	39,417,846	5,090,687

Public Works Department

Budget Changes By Department

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Right-Sizing of Capital Improvement Program Staffing	(21.70)	(2,320,825)	0

Strategic Support CSA

Plan, Design & Construct Public Facilities and Infrastructure

This action right-sizes staffing levels to anticipated activity levels by reducing capital staffing in the Public Works Department by 21.70 positions through a series of position eliminations, additions, and reallocations, bringing the total to 200.06. This action includes:

- Eliminating 28.60 positions, 8.0 of which will be eliminated December 31, 2010 (0.20 Accountant I, 1.0 Associate Construction Inspectors, 7.0 Associate Engineers, 3.0 Associate Structure/Landscape Designers, 4.0 Engineer IIs, 0.40 Office Specialist II, 2.0 Principal Engineering Technicians, 2.0 Secretaries, 3.0 Senior Architects/Landscape Architects, 3.0 Senior Construction Inspectors, 1.0 Senior Engineer, 1.0 Staff Specialist, and 1.0 Chief of Surveys).
- Adding 1.0 Survey Field Supervisor.
- The reallocation of 3.80 positions (0.40 Senior Office Specialist, 0.10 Analyst II, 1.0 Principal Engineering Technician, 1.0 Associate Engineering Technician, 0.50 Building Inspector/Combination Cert Full Time, and 0.80 Principal Accountant) from capital funds to the Public Works Program Support Fund and the Public Works Development Fee Program.
- The reallocation of 9.70 positions (1.0 Staff Specialist, 1.0 Senior Engineering Technician, 1.0 Engineer II, 1.60 Associate Engineer, 1.0 Associate Engineering Technician, 1.0 Principal Engineering Technician, 0.85 Program Manager, 0.83 Division Manager, 0.42 Senior Engineer, and 1.0 Senior Construction Inspector) from the Airport Maintenance and Operations Fund, the Public Works Development Fee Program, and the Public Works Program Support Fund to capital funds.

These actions will allow the Public Works Department to reduce costs as capital activity declines, and reallocations maintain adequate staffing for current capital project activity. Capital activity that is currently increasing includes projects in the following areas: developer assisted, water pollution control, water utility system, traffic signals, sanitary sewer, and storm sewer. Areas in which capital activity is declining include the Airport Improvement Program, and the parks, library, fire and police bond projects.

(Ongoing savings: \$3,180,588)

Performance Results:

This action reduces resources to match projected capital project activity; therefore, no impacts to current performance levels are anticipated.

Public Works Department

Budget Changes By Department (Cont'd.)

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
2. Public Works Development Fee Program	(8.08)	(917,408)	(917,408)

Community and Economic Development CSA
Regulate/Facilitate Private Development

In order to bridge the gap of \$1.1 million between anticipated revenues of \$2.4 million and expenditures of \$3.5 million in the Public Works Development Fee program, the following actions were approved:

- Eliminate 2.31 positions (0.05 Secretary, 0.13 Accountant I, 0.05 Senior Accountant, 0.08 Deputy Director, 1.0 Associate Construction Inspector, 1.0 Principal Engineering Technician);
- Reallocate 6.32 positions (1.0 Associate Engineering Technician, 1.0 Senior Engineering Technician, 1.0 Engineer II, 1.25 Associate Engineer, 0.92 Senior Engineer, 1.0 Senior Construction Inspector, and 0.15 Division Manager) from the Development Fee program to capital funds;
- Reallocate 0.50 Building Inspector/Combination Cert FT and 0.05 Principal Accountant positions from capital funds to the Development Fee program; and
- Increase equipment allocation by \$132,052 for the replacement of old equipment.

(Ongoing savings: \$1,080,299)

Performance Results:

Cost These actions will reduce costs to match projected revenue and activity levels in the Public Works Development Fee Program ensuring that the Program achieves 100% cost-recovery level. **Customer Satisfaction** While the annual customer survey indicates a decline in performance, the cycle time and quality measures are expected to meet targets.

Public Works Department

Budget Changes By Department (Cont'd.)

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Public Works Program Support	(3.66)	(457,181)	0

Strategic Support CSA
Strategic Support

This action eliminates 3.11 positions (0.60 Office Specialist II, 0.94 Secretary, 0.67 Accountant I, 0.90 Senior Accountant) in the Public Works Program Support Fund; reallocates 0.80 Division Manager and 0.50 Staff Specialist from the Public Works Program Support Fund to the Airport Maintenance and Operation Fund and capital funds; and reallocates 1.0 Staff Specialist from the Airport Maintenance and Operation Fund to capital funds. To partially offset these reductions and align funding with duties performed, this action reallocates 0.40 Senior Office Specialist, 0.15 Program Manager, 0.70 Principal Accountant, and 0.50 Staff Specialist from capital funds and the Airport Maintenance and Operation Fund into the Public Works Program Support Fund. These reductions and reallocations will allow the Public Works Department to reduce support costs as capital activity declines; while maintaining adequate staffing for current capital activity. In addition, this action adds one-time funding of \$30,000 in personal services and \$10,000 for consultant services to refine the Public Works Cost Allocation Plan. These one-time costs were built into the Public Works Cost Allocation Plan rate structure for 2010-2011. (Ongoing savings: \$523,699)

Performance Results:

This action reduces resources to match projected capital project activity; therefore, no impacts to current performance levels are anticipated.

Public Works Department

Budget Changes By Department (Cont'd.)

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. Public Works Department Total Employee Compensation Reduction		(203,367)	(203,367)
Strategic Support CSA			
<i>Plan, Design & Construct Public Facilities and Infrastructure</i>			
<i>Strategic Support</i>			
Community and Economic Development CSA			
<i>Regulate/Facilitate Private Development</i>			

As a result of compensation reductions for various bargaining groups as approved by the City Council on June 22, 2010, this action reflects a 10% reduction in total compensation costs, of which 5% is ongoing, for various bargaining units (AEA, ALP, AMSP, CAMP, IBEW, and OE3); an additional 5% total compensation reduction for Executive Management and Professional Employees and Unrepresented Employees (Units 99 and 81/82) for a total 10% reduction in compensation, of which 5% is ongoing; and a 5% reduction in ongoing total compensation costs for ABMEI. The savings generated from these actions helped address the General Fund shortfall, thereby retaining City services which would otherwise have been eliminated.

The compensation adjustment actions, which vary by employee group, include: general wage decreases, freezing of merit increases, additional employee contributions to retirement to offset the City's contributions, healthcare cost sharing changes (from 90% City/10% employee to 85% City/15% employee), healthcare plan design changes including increased co-pays, and changes in healthcare in lieu, healthcare dual coverage, and disability leave supplement. The specific actions are described in each bargaining unit's agreement with the City that can be found at: <http://www.sanjoseca.gov/employeeRelations/labor.asp>.

These compensation actions generate savings of \$8.6 million in the General Fund, offset by overhead and other reimbursement losses of \$856,000, resulting in total net General Fund savings of \$7.7 million. In the Public Works Department, the General Fund savings totals \$203,367 as reflected in the 2010-2011 Adopted Budget. It should be noted that because of the timing of the concession agreements, the total value of the savings in all other funds is not yet available. Compensation savings generated for other funds will be brought forward as part of the 2009-2010 Annual Report, to be released on September 30, 2010. (Ongoing General Fund savings: \$101,683)

Performance Results: N/A

Public Works Department

Budget Changes By Department (Cont'd.)

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
5. Public Works Department Director's Office	(0.90)	(186,206)	(134,298)

Strategic Support CSA

*Plan, Design & Construct Public Facilities and Infrastructure
Strategic Support*

This action eliminates 0.90 of a Deputy Director position, reallocates funding from this position to the remaining management positions, and eliminates overtime funding (\$6,573). Due to a shrinking capital program, it is no longer necessary for the Public Works Department to retain the current level of management resources. Therefore, the duties of this position will be absorbed by existing staff with little to no service level impacts. (Ongoing savings: \$212,822)

Performance Results:

This action reduces resources to match projected capital project activity; therefore, no impacts to current performance levels are anticipated.

6. Public Works Department Management and Professional Employee Total Compensation Reduction		(89,120)	(3,708)
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Strategic Support CSA

*Plan, Design & Construct Public Facilities and Infrastructure
Strategic Support*

This action is a reduction in personnel costs equivalent to 5% of total compensation for Executive Management and Professional Employees (Unit 99). The savings generated from these actions helps address the General Fund shortfall, thereby retaining City services which may otherwise have been eliminated. The compensation adjustments include a 4.75% general wage decrease, freezing of merit increases, healthcare cost sharing changes (from 90% City/10% employee to 85% City/15% employee), healthcare plan design changes including increased co-pays, and changes in healthcare in lieu, healthcare dual coverage, and disability leave supplement. These actions result in savings of \$1.23 million in the General Fund including overhead loss and \$2.1 million in all funds. In the Public Works Department, savings total \$3,708 in the General Fund, \$89,120 in all funds. (Ongoing savings: \$89,120)

Performance Results: N/A

Public Works Department

Budget Changes By Department (Cont'd.)

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Public Works Non-Personal/Equipment Funding		(75,000)	(75,000)

Strategic Support CSA
Strategic Support

This action reduces the General Fund non-personal/equipment allocation by \$75,000 on an ongoing basis. This reduction requires the Department to re-prioritize all non-personal/equipment expenditures including supplies, travel, equipment and training. (Ongoing savings: \$75,000)

Performance Results:

No short-term impacts to current performance levels are anticipated. However, decreased efficiency is expected due to reduced funding for training and updates to essential project delivery skills. These skills may include the dominant design software used by the private sector or the update of California Building Codes.

8. SJRA Budget Reduction – Office of Equality Assurance	(0.50)	(70,710)	(70,710)
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Strategic Support CSA
Strategic Support

This action eliminates 1.0 Contract Compliance Specialist position, and adds 0.50 Contract Compliance Specialist PT position to monitor the City's construction contracts for compliance with Living and Prevailing Wage requirements for the San Jose Redevelopment Agency (SJRA) Downtown core and Strong Neighborhoods Initiative (SNI) areas throughout the City. The SJRA currently reimburses the City for these Agency-related services; however, due to financial constraints, the SJRA can no longer support this function. The reduction strategy is consistent with the City Council's approval of the Mayor's March Budget Message for 2010-2011 in that any reductions in SJRA reimbursements should be accompanied by a corresponding reduction in City support costs. (Ongoing savings: \$79,788)

Performance Results:

By reducing labor compliance staffing by 50%, the number of SJRA funded projects monitored by the Office of Equality Assurance (OEA) for wage and benefit compliance will be reduced by 50%. For those SJRA funded projects not monitored by OEA, SJRA project managers will be responsible for reviewing weekly certified payroll reports, ensuring that the appropriate work classifications are being used, responding to all third party requests for payroll reports, resolving all wage and benefit claims, disbursing restitution to affected workers, and assessing liquidated damages to contractors violating prevailing wage requirements.

Public Works Department

Budget Changes By Department (Cont'd.)

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
9. Special Assessment District Funding Reallocation		(18,704)	(18,704)

Community and Economic Development CSA
Regulate/Facilitate Private Development

This action reallocates 1.0 Program Manager I position from the General Fund to the Public Works Program Support Fund to administer departmental record management, and to capital funds to provide engineering services support. In addition, 1.0 Principal Engineering Technician position will be reallocated from capital funding to the General Fund. This funding reallocation will appropriately align workload associated with Special Assessment District coordination. The funding of this Principal Engineering Technician will be reimbursed by the Special Assessment Districts. (Ongoing savings: \$18,704)

Performance Results:

No impacts to current performance levels are anticipated as a result of this action.

10. Vehicle Maintenance Staffing and Contractual Services	(7,000)	(7,000)
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Strategic Support CSA
Plan, Design, & Construct Public Facilities and Infrastructure

This action generates city-wide vehicle maintenance and operations cost savings totaling \$778,864 (\$618,956 in the General Fund), resulting from the elimination of 5.0 positions (1.0 Division Manager, 1.0 Mechanical Parts Assistant, 1.0 Equipment Mechanic Assistant II, 1.0 Mechanic, and 1.0 Senior Mechanic) in the General Services Department. In addition, overtime funding (\$30,000) as well as fleet contractual funding (\$200,000) were reduced. The cost savings in the Public Works Department, Plan, Design & Construct Public Facilities and Infrastructure Core Service is \$7,000. The elimination of these positions will reduce management oversight, as well as preventative maintenance activities performed by the Fleet and Equipment Services Division. Every effort will be made to minimize service level impacts, and priority will be given to public safety fleet. (Ongoing savings: \$8,000)

Performance Results:

Quality, Customer Satisfaction This action reduces the percentage of vehicles that are available for use by departments when needed. Customer satisfaction with the timeliness of work order completion may also decrease. It should be noted that public safety fleet will be given priority.

Public Works Department

Budget Changes By Department (Cont'd.)

Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
11. Office of Equality Assurance Staffing		15,170	(40,261)
Strategic Support CSA <i>Strategic Support</i>			
<p>This action reallocates 0.20 of a Program Manager I position and 0.10 of a Staff Technician from the General Fund to the Public Works Program Support Fund in the Office of Equality Assurance, as well as eliminates 1.0 Contract Compliance Coordinator position and adds 1.0 Contract Compliance Specialist position to appropriately align workload with current staffing. As a result of the Public Works Department's overall staffing plan, it is necessary that this unit take over more contract management duties. This funding reallocation will enable this unit to absorb these duties, typically funded in the Public Works Program Support Fund, while still maintaining adequate staffing for Americans with Disabilities Act (ADA) responsibilities. (Ongoing costs: \$14,208)</p>			
Performance Results: No impacts to current performance levels are anticipated as a result of this action.			
12. Public Works Utility Fee Program	0.34	65,182	65,182
Strategic Support CSA <i>Regulate/Facilitate Private Development</i>			
<p>In order to balance expenditures of \$1.7 million with anticipated revenues of \$1.6 million in the Public Works Utility Fee program, the following actions were approved:</p> <ul style="list-style-type: none"> • Reallocate 0.35 Associate Engineer position from the Public Works Utility Program to capital funds; • Reallocate 0.12 Division Manager, 0.50 Senior Engineer, 0.05 Principal Accountant, and 0.10 Analyst II from capital funds to the Utility Fee Program; • Eliminate 0.01 Secretary, 0.02 Deputy Director, and 0.05 Senior Accountant; and • Increase fee revenue by \$170,000 to reflect an approved fee increase of 32% to minor permits. <p>(Ongoing costs: \$64,299)</p>			
Performance Results: Cost These actions will adjust costs to match projected revenue and activity levels in the Public Works Utility Fee Program ensuring that the Program attains a 100% ratio of fee revenue to fee program cost. Customer Satisfaction While the annual customer survey indicates a decline in performance, the cycle time and quality measures are expected to meet targeted levels.			
2010-2011 Adopted Budget Changes Total	(34.50)	(4,265,169)	(1,405,274)

Public Works Department

Departmental Position Detail

Position	2009-2010 Adopted	2010-2011 Adopted	Change
Accountant I	1.00	0.00	(1.00)
Accounting Technician	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst II	5.00	5.00	-
Assistant Director	1.00	1.00	-
Associate Architect/Landscape Architect	1.00	1.00	-
Associate Construction Inspector	17.00	15.00	(2.00)
Associate Engineer	45.00	39.00	(6.00)
Associate Engineering Technician	13.00	13.00	-
Associate Structure/Landscape Designer	20.00	17.00	(3.00)
Building Inspector/Combination Certified	7.00	7.00	-
Building Inspector Supervisor	1.00	1.00	-
Chief of Surveys	2.00	1.00	(1.00)
Construction Manager	1.00	0.00	(1.00)
Contract Compliance Assistant	1.00	1.00	-
Contract Compliance Coordinator	2.00	1.00	(1.00)
Contract Compliance Specialist	7.00	6.00	(1.00)
Contract Compliance Specialist PT	0.00	0.50	0.50
Deputy Director of Public Works	3.00	2.00	(1.00)
Director of Public Works	1.00	1.00	-
Division Manager	5.00	5.00	-
Engineer II	31.00	26.00	(5.00)
Engineering Geologist	1.00	1.00	-
Engineering Technician II	17.00	16.00	(1.00)
Engineering Trainee PT	0.50	0.00	(0.50)
Geographic Systems Specialist II	4.00	4.00	-
Instrument Person	4.00	4.00	-
Land Surveyor	1.00	1.00	-
Office Specialist II	4.00	2.00	(2.00)
Principal Account Clerk	2.00	2.00	-
Principal Accountant	1.00	1.00	-
Principal Construction Inspector	7.00	5.00	(2.00)
Principal Engineering Technician	6.00	4.00	(2.00)
Program Manager I/II	3.00	2.00	(1.00)
Secretary	3.00	0.00	(3.00)
Senior Account Clerk	1.00	0.00	(1.00)
Senior Accountant	1.00	0.00	(1.00)
Senior Analyst	3.00	2.00	(1.00)
Senior Architect/Landscape Architect	8.00	5.00	(3.00)
Senior Construction Inspector	34.00	29.00	(5.00)
Senior Engineer	14.00	12.00	(2.00)
Senior Engineering Technician	18.00	18.00	-
Senior Geographic Systems Specialist	2.00	2.00	-
Senior Office Specialist	1.00	1.00	-
Staff Specialist	5.00	4.00	(1.00)

Public Works Department

Departmental Position Detail (Cont'd.)

Position	2009-2010 Adopted	2010-2011 Adopted	Change
Staff Technician	1.00	1.00	-
Structure/Landscape Designer II	6.00	5.00	(1.00)
Supervising Traffic Signal Technician	1.00	1.00	-
Survey Field Supervisor	4.00	5.00	1.00
Total Positions	319.50	272.50	(47.00)